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Meeting Minutes
ND Economic Development Foundation Meeting
Friday, November 13, 2009
Gladstone Inn & Suites, Jamestown, ND

WELCOME AND CALL TO ORDER

The meeting was called to order at 10:05 a.m. by Elaine Fremling, Chairperson.

Members Present: Amanda DeKrey, Bruce Furness, Bruce Smith, Chuck Hoge, Daniel Traynor, Elaine Fremling, Guy Moos, Harold Newman, John Machacek, Judith Paukert, Kathy Gaddie, Wally Goulet, and Shane Goettle.

Members Present Via Phone: John Q. Paulsen, Pamela Schmidt, Tim Hennessy.

Members Absent: Bill Shalhoob, Bob Mau, Bruce Thom, Duaine Espegard, Frank Keogh, Mark Nisbet, Philip Boudjouk.

Guests Present: Jill Schwab, Rod Backman, Jim Hirsch, Kayla Effertz, Paul Lucy, Sara Otte Coleman.

WELCOME & INTRODUCTIONS:

Elaine Fremling provided a welcome to members and guests in person and on the phone.

BOARD OPEN DISCUSSION:

Talent Pipeline

Elaine Fremling reported that a presentation made by Greg Newton at the Governor's Workforce Summit highlighted where talent comes from. The handout from that presentation was provided to members for their review.

Shane Goettle explained that Job Service North Dakota has over 9,300 out-of-state job seekers sign up on their website in 2008. Over 2,000 of those job seekers found their way to North Dakota through the www.findjobsnd.com website. Job Service North Dakota is just shy of 10,000 job openings as of October 31, 2009.

Jim Hirsch explained that talent pipeline mapping is a fairly new concept and businesses need to evaluate where they are getting their talent from, specifically in the next 5-10 years. The City of Minot used the talent pipeline model when developing their Strategic Plan. Each business and community might look a little different, but communities should begin the discussion on how to approach talent pipelining. The North Dakota Department of Commerce fully supports the Talent Initiative based around strategic planning for workforce.

Elaine Fremling asked members who they would like to invite in their communities to identify the talent pipeline (ways to keep people in the community or bring new people into the community). The list includes:

- Burdick Job Corp
- Business to the Campuses
- Businesses from the Community
- Career Advisors in Schools
- Chambers
- City Commissioners/City Council
- Economic Developers
- Higher Education
- HR Groups
- Internships (through Chambers)
- Job Service North Dakota
- K-12/Junior High/Principals
- Military/Government/Aerospace Industry
- Parent Representatives
- Park Board
- Recreational Directors
- Technical Schools/Train ND
- Technology Providers
- Young Professionals Network

New Objectives for the Community Roundtables

Elaine Fremling asked members who should the Foundation be getting information from, including outside sources, and who should be aware of the mission of the Foundation and the Strategic planning process:

- Businesses who have had success in retention and gain knowledge on their best practices for filling the talent pipeline
- Career Advisors

- CEO's from cross-sector industries
- Chamber of Commerce
- City Council
- Department of Public Instruction
- Deterrents to community attraction (housing, location, pay, no jobs, and quality of life)
- Economic Developers
- EERC
- Higher Education
- Job Corps
- Job Service North Dakota (understand what Job Service does)
- Lutheran Social Service representatives on immigrant recruiting
- North Dakota Department of Commerce/Foundations
- Offer internships and businesses should come to the campuses to conduct career fairs
- Other state's best practices
- People with a good work ethic
- PTA's (parent groups)
- School principals
- Technology/providers in rural communities (high speed access) for people who are young or who would like to come back to the state
- Train ND
- Younger generation interested in wildlife, hunting, fishing. Educate them about opportunities

Outside Resources to Support the Strategic Plan Goals

- City Commissioners/City Council
- Department of Public Instruction
- Economists from UND/NDSU
- Five Targeted Industry Representatives
- Higher Education (both 2 and 4 year colleges)
- HR Camps
- Internships (through Chambers)
- ITCND (ND Technology Council)/Technology Schools/Job Training
- Job Service North Dakota
- Medical Recruiters
- ND Chamber of Commerce representative (Kelvin Hullet) and other Chamber rep's around the state
- NDSU Research Center (how are they enhancing agriculture in the state)
- Park Board
- Recreational Directors
- Young Professionals Network

APPROVAL OF AGENDA:

Elaine Fremling asked for a motion to approve the November 13, 2009, agenda.

Motion: Guy Moos moved to approve the November 13, 2009, agenda. Daniel Traynor seconded the motion. Motion carried.

APPROVAL OF MINUTES:

Elaine Fremling asked for a motion to approve the August 11, 2009, minutes.

Motion: Guy Moos moved to approve the August 11, 2009, minutes. Judith Paukert seconded the motion. Motion carried.

Elaine Fremling asked for a motion to approve the October 1, 2009, minutes.

Motion: Judith Paukert moved to approve the October 1, 2009, minutes. Wally Goulet seconded the motion. Motion carried.

COMMITTEE REPORTS:

Finance Committee

Quarterly Financial Statements

Elaine Fremling reported that contributions from July through September 2009 were \$5,999.99. Total expenses were \$1,443.41 which brings net income for the quarter to \$4,556.58. Additional funds will be added to the Workforce Development Division's Restricted Fund Asset account due to a surplus from the 2009 Governor's Workforce Summit. Total accounts receivable through September 30, 2009, are \$7,000.00 (Scheels Corporate (\$3,000.00 and State Bank & Trust of Fargo (\$4,000.00). The Statement of Cash Flows reflects a balance of \$72,959.88.

Client Relations Hunt Expenditure

Paul Lucy reported that the total cost of the October 14-17, 2009, client relations hunt was \$4,739.22. The budget request was \$5,000. A new guide service was used this year since the previously used guide service went out of business. Jake Marvin is scheduled to be the Chair of the Federal Reserve Board. The Governor participated in the client relations hunt for two days and the event is considered to be very beneficial to creating and maintaining client relationships with two very significant employers in North Dakota.

Fundraising Efforts/Sponsorships

Judi Paukert reported that the Fundraising Committee met by phone on September 9, 2009. A comprehensive list of potential sponsors has been developed and a letter from the Governor will be sent out over the next couple of weeks.

Elaine Fremling asked that board members talk to their companies about transparencies for accountability in policies/bookkeeping and managing the Foundation's checking account. Daniel Traynor and Guy Moos will meet on November 13, 2009, to address this issue and move forward with policy development.

John Machacek would like to see prior fiscal year comparisons on both the Profit and Loss Statement and the Balance Sheet on all future financial statements.

DEPARTMENT OF COMMERCE UPDATE:

New Town Community Roundtable Update/Grafton Community Roundtable

Shane Goettle reported that the Community Roundtable in New Town went well and he has had several contacts/meetings with the Indian Affairs Commission and Tribal Representatives surrounding economic development since the meeting on August 12, 2009. Several resources are coming together on the topic of Native American Reservations due to having that community roundtable in New Town.

Upcoming Meetings

The first quarter 2010 meeting will be held in January in Bismarck (invite Governor Hoeven), the second quarter meeting will be held in late May in Devils Lake at the Spirit Lake Casino, the third quarter meeting would be in August/September in Medora, and the fourth quarter meeting would be held in November in Fargo, ND.

Guy Moos questioned the validity of hosting eight meetings around the state (quarterly meetings and community roundtables) due to time constraints and travel time. Chuck Hoge asked whether the Foundation's role should be centered around community roundtables or if it should be a function delegated to the ND Department of Commerce to take the lead in organizing. Foundation members would only receive an invitation to future meetings.

Motion: Guy Moos moved to have the future Economic Development Foundation Community Roundtable duties transferred over to the North Dakota Department of Commerce and the Foundation would be on an invite-only basis. Kathy Gaddie seconded the motion. Motion carried.

OLD BUSINESS:

Shane Goettle reported that the ND Department of Commerce Performance Audit has been completed and that most of the recommendations are scheduled to be implemented by December 31, 2009.

Bob Hale has filed a suit against the Minot Area Development Corporation, the City of Minot, and Shane Goettle (professional capacity) and the ND Department of Commerce claiming unconstitutional spending of state funds. The parties have all moved to dismiss the suit for

lacking specificity. Responses to the suit are being drafted by the Attorney General's Office on behalf of the state.

Governor's Youth Council

Kayla Effertz is the coordinator of the newly formed Youth Office. The intent of the Youth Council/Youth Office is to act as an umbrella for existing youth retention strategies for targeting youth ages 14-24 under the following programs:

- ☐ Operation Intern
- ☐ Career Conversations
- ☐ Youth Entrepreneurship

The Youth Office will also serve as liaison to coordinate similar youth messages to youth, educators and parents. The website address is www.YouthForward.com which is also a blog site.

The North Dakota Youth Council was created by the Legislature in 2009. Membership consists of 16 youth, 4 legislators, and is chaired by the Lieutenant Governor. The first subcommittee meeting was held on October 13, 2009, and the final report of the Youth Council is due in September 2010.

Some top priorities for the state as a result of the Youth Council meeting were:

Education

1. More in-state scholarships
2. Internship opportunities
3. **Knowledge to students about quality of Universities in North Dakota**
4. Dual-credit or more course opportunities for schools & AP credits

Recreation & Entertainment

1. Change social culture of drinking
2. Availability and accessibility to concerts, sporting events, entertainment venues, diverse restaurants
3. Youth leadership opportunities
4. After school activities – dances, theme parks

Jobs

1. Realistic job opportunities, connect degrees to jobs
2. Get people to *feel* like they have just as much opportunity as other states
3. Encourage businesses to hire ND educated graduates, more incentives
4. Continuing education within jobs

Health/Wellness & Safety

1. Training on depression, suicide prevention, seasonal depression
2. Parent Ed for alcohol influence – family counseling
3. Tougher laws for substance abuse

Some next steps that came out of the first meeting were to:

- Improve awareness
- Identify needs and gaps
- Leverage expertise
- Establish a statewide “home” for youth information and services
- Develop a process for youth input
- Shape the mindset of youth that opportunities do exist in ND
- Greater retention rate of ND youth
- Benchmark Data
- Input from Youth
- Growing Partnerships and Identifying Roles
 - Young Professional Networks, NDSU Extension, etc.
- Continued Fundraising for Youth Council in person meetings
- Fiscal Agent

Some resources available to get more information about the Youth Forward Initiative are: Facebook, Twitter, YouthForward.com website, State Deca Conference on November 14, 2009, and the State Student Council meeting in December 2009.

Shane Goettle reported that the Attorney General’s office can draft an Agreement between the Youth Council and the Economic Development Foundation stating that the Foundation would strictly serve as the fiscal agent for the Youth Council. The Foundation would sign expense checks for the Youth Council (student reimbursements and meeting expenditures). The Youth Council is projected to have 5 meetings per year.

Motion: Daniel Traynor moved that Shane Goettle be allowed to proceed with obtaining an Agreement from the Attorney General’s office for the Foundation to be granted

permission to act as a fiscal agent for the Governor's Youth Council. Chuck Hoge seconded the motion. Motion carried.

Tourism Research

Sara Otte Coleman presented members with some PowerPoint data which highlights North Dakota tourism numbers from 2008. New research quantifying Tourism's impact on the economy will be highlighted at a press conference early next week. All studies conclude that North Dakota is outpacing the nation in tourism growth:

- Core Tourism to North Dakota grew 10.7% (between 2006 and 2008) compared to the national increase of 8.1%
- Tourism expenditures grew 5.1% to \$2.4 billion
- Every county in ND shows strong positive growth
- 75% of the expenditures are leisure and 25% are business related
- ND is the only state with a positive Rev/PAR – which measures hotel revenue per available room
- Canadian travel to ND was up 32.1% (2006 to 2008) yielding 1.5 million trips
- Canadians spent \$273 million ~ up 86%
- The ND Tax Department confirms the growth with a huge increase in sales tax refunds to Canadians totaling \$1,910,803

In State Job Seeker Event

Shane Goettle reported that Job Service North Dakota currently targets in-state job seekers. The ND Department of Commerce has hosted web fairs throughout the past year and has had great success with social media websites such as Facebook and Twitter.

Strategic Plan Review

Rod Backman reported that North Dakota's population projection for the 2010 census is approximately 641,481. The first part of the decade had a huge population drop; however, North Dakota has grown its population since that time.

The "What's New" section in the Strategic Plan includes:

- The Foundation needs to focus on helping the state build on a culture of entrepreneurship
- This Plan expand the focus to both business growth and workforce development
- The Foundation would like to see "EmPower ND" type studies/reports on entrepreneurship and trade strategies
- Consideration needs to be given to emerging industries, i.e. Research and Life Sciences
- Health care as the state's largest employer should have representation on the Foundation Board
- Study the economic development potential of health care in ND
- The board will devote portions of each quarterly meeting to hear any new reports on key initiatives or studies relating to ND's economy. This should include presentations from leading economists and experts in demographics.

The Economic Assessment, Key Findings – Weak Sectors, Assets, International Exports, and North Dakota's Challenges were reviewed with members along with the six Strategic Plan Goals and Strategies.

Items for Rod Backman to complete in order to finalize the Strategic Plan include:

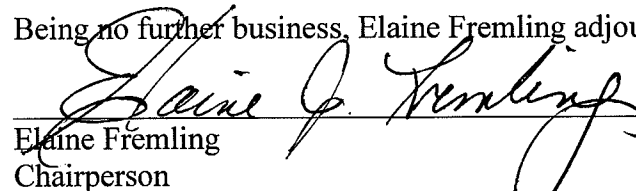
- Finalize Executive Summary
- Update Benchmarks
- Finalize Report/Pictures/Do Not Landscape
- Add Research & Life Sciences as a Targeted Industry
- Incorporate Banking Sector Health in Economic Analysis
- Entrepreneurship Stats from Michigan Study

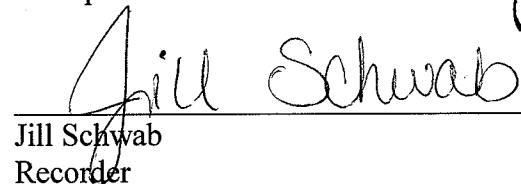
NEW BUSINESS:

None.

ADJOURNMENT:

Being no further business, Elaine Fremling adjourned the meeting at 3:00 p.m.

 2/11/10
Elaine Fremling Date
Chairperson

 11/13/09
Jill Schwab Date
Recorder

FUTURE ACTION ITEMS:

- Daniel Traynor and Guy Moos will meet on November 13, 2009, to address the Foundation's policies/bookkeeping issue and move forward with policy development.
- Jill Schwab will update future quarterly financial statements to reflect a prior year comparison on both the Profit and Loss Statement and the Balance Sheet.
- Shane Goettle may proceed with obtaining an Agreement from the Attorney General's office for the Foundation to be granted permission to act as a fiscal agent for the Governor's Youth Council.
- Jill Schwab to organize the first quarter Foundation meeting in Bismarck in January 2010.